

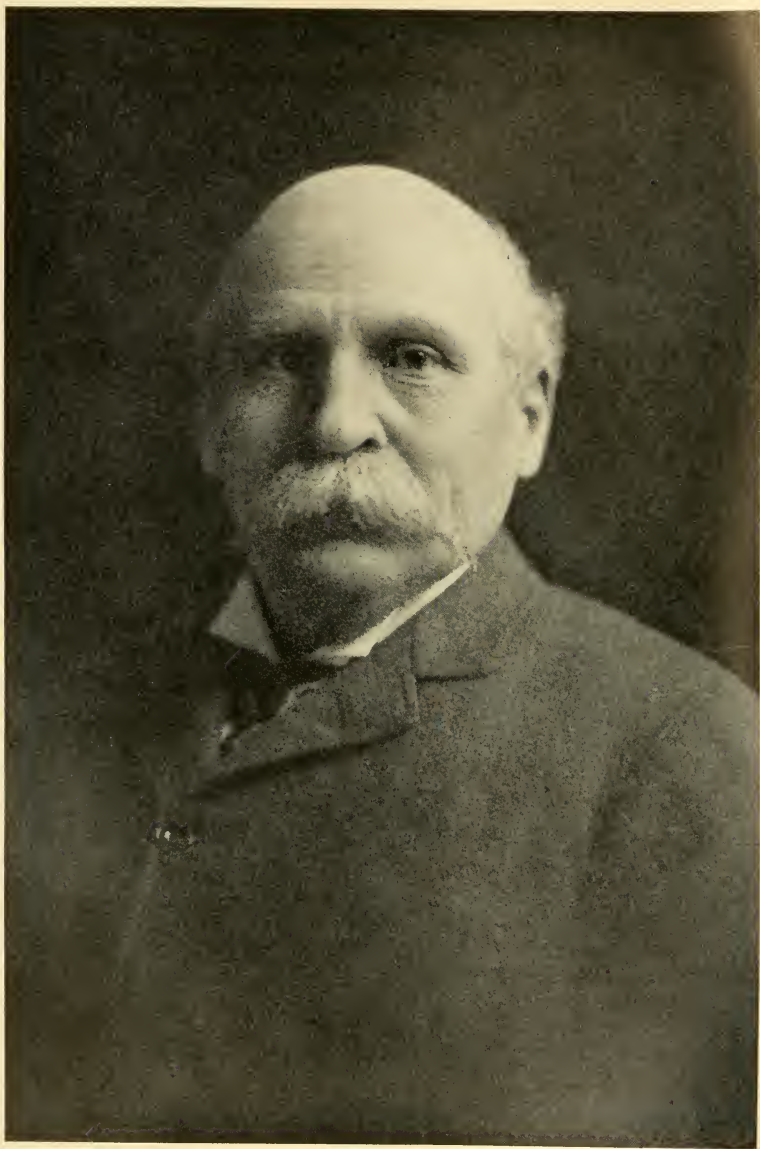
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INDUSTRIAL MISSISSIPPI

*With
Special Reference
to the*

**GULF &
SHIP ISLAND
RAILROAD**

INDUSTRIAL
MISSISSIPPI



CAPT. J. T. JONES,
PRESIDENT GULF & SHIP ISLAND RAILROAD.

INDUSTRIAL MISSISSIPPI

With special reference to the
GULF & SHIP ISLAND RAILROAD

Second Edition

1904

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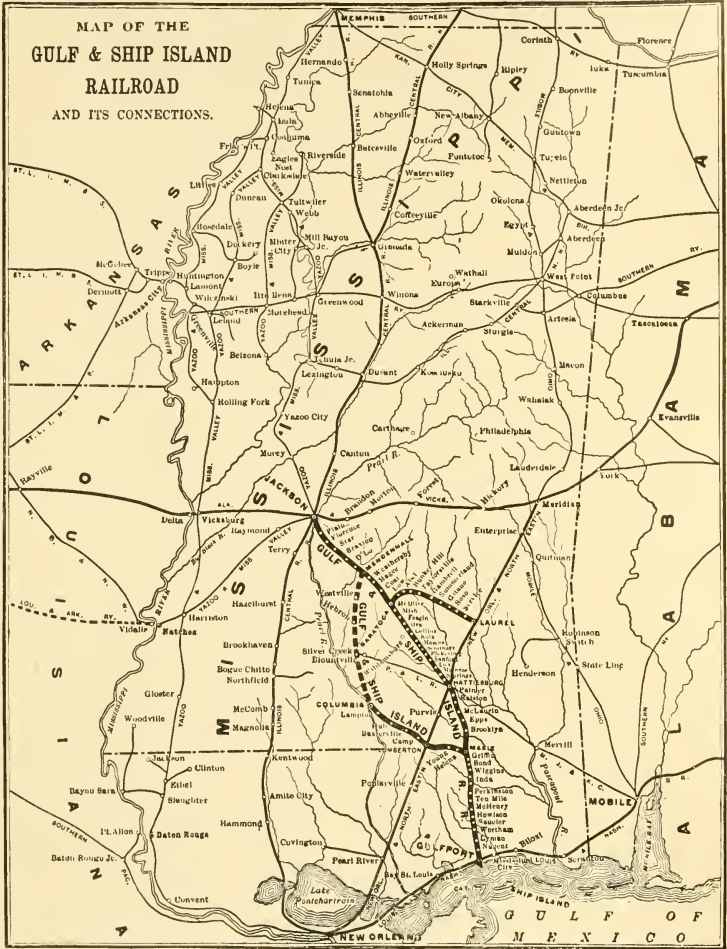
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INDUSTRIAL
MISSISSIPPI



PREFACE

THIS pamphlet is issued mainly to interest the investing public in the Gulf & Ship Island Railroad and to give an idea of the rapid development of Southern Mississippi, through which that railroad runs.

Such marked progress has been made in that section in recent years that those who are not in close touch with it can hardly appreciate its growth. It seems advisable, therefore, to issue a pamphlet to give some idea of the development. The interest shown was greater than had been anticipated, and, in consequence, the first edition of this pamphlet has been exhausted. The present edition includes the latest statistics of the Gulf & Ship Island Railroad, and contains several new illustrations which show the rapid growth of Southern Mississippi and the development of Gulfport into one of the leading ports on the Gulf of Mexico.

Apart from the large lumbering operations that are being carried on in that region, the number of farms and factories is continually increasing. As the longleaf pine trees are cut down the cotton acreage is enlarged, and, in consequence, new cotton mills, cotton-seed oil mills, fertilizer factories, cotton compresses, and cotton gins are being started. The confidence of business men in that part of the country is well illustrated by the many new factories that are being built. Among the concerns that have recently recognized the advantages of locating along the Gulf & Ship Island Railroad may be mentioned the E. Van Winkle Gin & Machine Works Company of Atlanta, Ga., which is constructing a \$250,000 cotton-seed oil mill at Gulfport; the Virginia Carolina Chemical Company of Richmond, Va., which is building a large fertilizer factory at Jackson; and Armour & Company of Chicago, Ill., who have recently completed a cold storage plant at Gulfport.

Every effort has been made to have the figures in the following pages accurate and to make no statements that are not supported by facts.

E. W.

January 1, 1904.

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MISSISSIPPI



LONGLEAF PINES IN SOUTHERN MISSISSIPPI.

THE STATE

PHYSICAL FEATURES

THE surface of Mississippi is in general rolling, and comparatively high. On the Gulf coast, the ground is twenty to twenty-five feet above the sea level and from that point northward it rises gradually till in the neighborhood of Jackson it is about 420 feet above the sea. Along the Mississippi River, as in the Yazoo delta, the land is low.

The country is well supplied with watercourses and drainage, the western part of the State being drained by the Mississippi River and its tributaries, the eastern section by the Tombigbee and its affluents, and the central and southern portions by the Pearl and Pascagoula rivers. Thus Mississippi is favored with three great watersheds which drain it completely.

WATER SUPPLY

The water supply of the State, especially in the southern part, is excellent. Not only are rivers and streams numerous, but brooks and springs abound. The purest artesian water may also be obtained in many places.

Perhaps more important, however, for Mississippi's agriculture is its heavy rainfall. This is generally well distributed throughout the year, there being no "wet" and "dry" seasons. The annual rainfall is generally from forty-eight to fifty-eight inches per annum, while in States west

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of the Mississippi it ranges from twenty to as low as four inches per annum. As a comparison, it may be noted that New York enjoys a precipitation of from thirty-two to forty-six inches per annum.

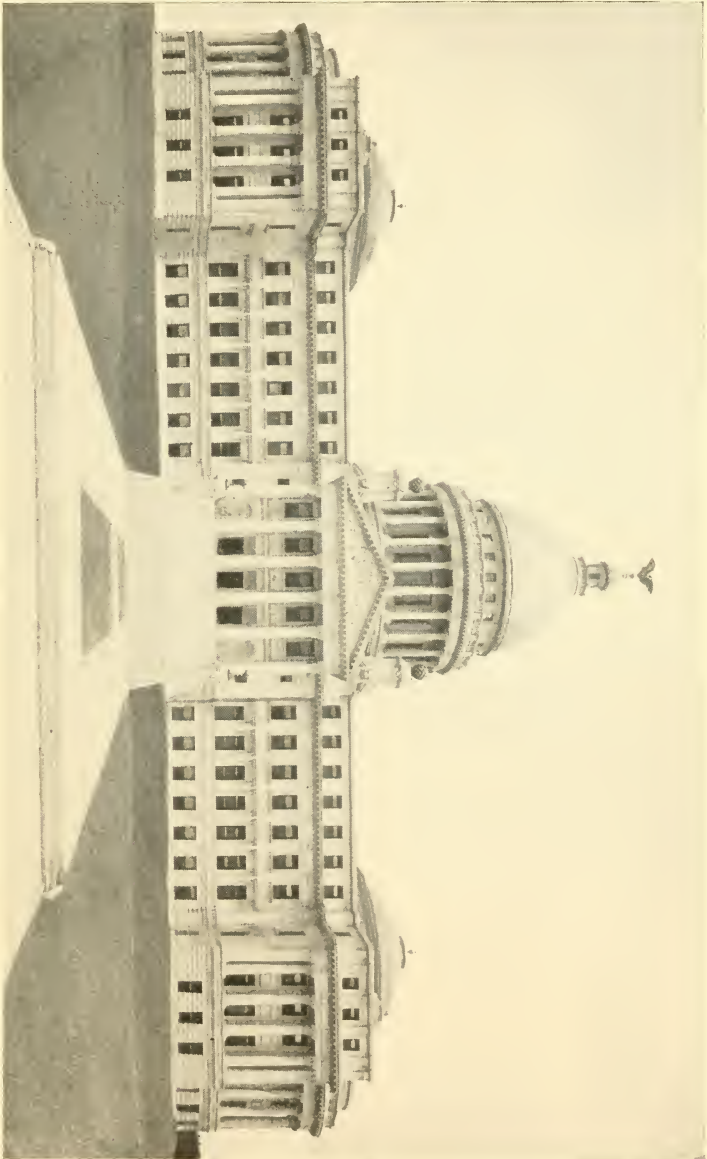
CLIMATE

The climate of Mississippi is exceptionally advantageous for agricultural purposes. The summers are in the main devoid of the intense heat often felt in northern latitudes, and the winters are short, mild, and pleasant. The summer heat is more prolonged than it is farther north, but much less oppressive, owing to the breezes that come from the Gulf. Such a thing as sunstroke is almost unknown in the Gulf States. It is a well-established fact that in the course of a year more out-door labor can be performed with less inconvenience than in the North.



OLD CAPITOL AT JACKSON.

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NEW CAPITOL AT JACKSON.

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Further, there is no climatic obstacle in the way of white labor. This has been proved by the health of the large number of immigrants who have gone to the State from the North and West in recent years.

HEALTH

Statistics prove that Mississippi is one of the most healthful States in the Union and, furthermore, that the death rate among the white people is less than it is among the colored. This is shown by the following figures, which are quoted from the United States Census Reports for 1900:

DEATH RATE PER THOUSAND OF POPULATION.

New York, . . .	17.92	Michigan, . . .	13.87
Massachusetts, . . .	17.74	Mississippi— Total, .	13.06
Maryland, . . .	17.20	Mississippi— White, .	11.61
California, . . .	15.16	Mississippi— Black, .	14.11

To show that this low death rate in Mississippi is not abnormal, we quote the following:

DEATH RATE PER THOUSAND OF POPULATION IN MISSISSIPPI.

1870, . . .	10.9	1890, . . .	11.3
1880, . . .	12.5	1900, . . .	13.1

EDUCATION

In education, Mississippi has kept in the foremost ranks of her sister States. In addition to an excellent system of schools, she is exceptionally well provided with higher institutions. Among these may be mentioned the University of Mississippi at Oxford, the Agricultural and Mechanical College at Starkville, and the Indus-

trial Institute and College for Girls. These institutions are for white students, while the Alcorn University is maintained for the education of negroes.

Tuition is free at all of these institutions, except in the law department of the State University. At the Agricultural and Mechanical College there has been recently established



JACKSON — MILLSAPS COLLEGE.

one of the most complete textile schools in the country. This is now in successful operation and is doing much to advance cotton manufacturing in Mississippi.

POPULATION

An indication of Mississippi's prosperity is its increase in population. As large as the last census shows this increase to be, the next census will show it much larger, for in the last three years the growth of the State has been remarkable. As indications of this growth may be mentioned the towns of Hattiesburg, Laurel, Columbia, Collins, Gulfport, and many others along the line of the Gulf & Ship Island Railroad. Thus Hattiesburg has grown from 4,175 in 1900 to over 7,000 in 1903; Laurel, from

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3,193 to 6,500; Columbia, from 507 to 2,000; Collins, from 25 to 2,000; and Gulfport, from 1,060 to over 3,500. The population of the State since 1870 follows:

POPULATION OF MISSISSIPPI.

1870,	827,922	1890,	1,289,600
1880,	1,131,597	1900,	1,551,270



COTTON GIN.

INDUSTRIAL MISSISSIPPI

THE present progress of Mississippi is an indication of the industrial possibilities of the South. Before considering her manufacturing and agricultural prosperity, it is interesting to note the increase of her railroad mileage, as this has such an important bearing upon the prosperity of any country. From 1,127 miles of road in 1880, the mileage increased to 2,934 in 1900, or 160 per cent.

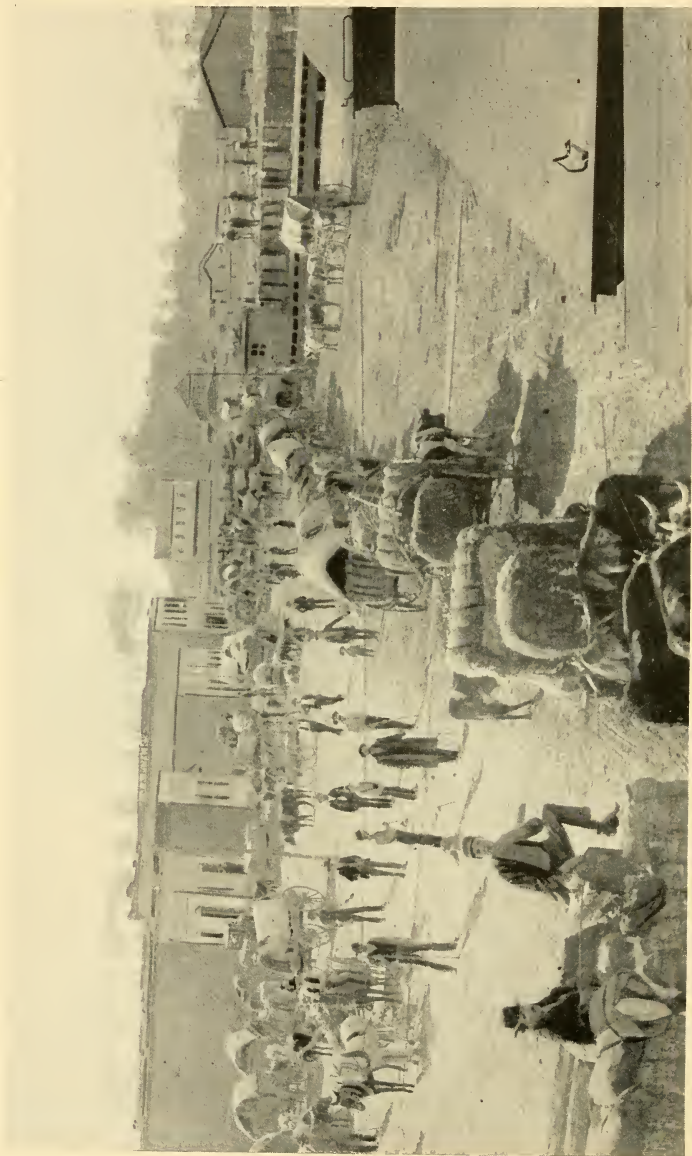
Although agriculture is still the leading industry of the State, manufacturing, in its various branches, seems likely to surpass it in the near future. In 1880, the value of manufactured products was but twelve per cent. of that of agricultural products, while in 1900 this ratio had increased to forty per cent. As this indicates, the growth of manufacturing in Mississippi has been very rapid. A few figures in this connection are interesting:

Number of Establishments.	Capital Invested.	Value of Products.
1880, 1,479	\$4,727,600	\$7,518,302
1890, 1,698	14,896,884	18,705,834
1900, 4,772	35,807,419	40,431,386

It will thus be noticed that between 1880 and 1900 the number of factories increased over three-fold and the capital invested over sevenfold. The leading manufactures are those using lumber and cotton. Statistics of these follow:

Industries.	Capital in 1900.	Value of Products.
Lumber Products, . . .	\$17,337,538	\$15,656,110
Cotton Products, . . .	9,475,532	10,368,905

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MISSISSIPPI



BRINGING COTTON TO RAILROAD STATION.

Other important industries are naval stores, car and shop construction by railroads, sash, blind, and door factories, and flour and grist mills.

Though manufacturing is advancing more rapidly than agriculture, the latter continues to grow, as the following tables show :

Value of Farm Property.		Value Per Acre.	Value of Products.
1880, . .	\$122,016,268	\$7.70	\$63,701,844
1890, . .	167,328,457	9.52	73,342,995
1900, . .	204,221,027	11.20	102,492,283

Total Number of Farms.		Average Acreage.	Total Acreage.
1880,	101,772	155.8	15,855,462
1890,	144,318	121.8	17,572,547
1900,	220,328	82.8	18,240,736

From these figures we note that the only decrease is in the average area of farms, and this



COTTON TO BE COMPRESSED.

INDUSTRIAL MISSISSIPPI



COTTON COMPRESS AND WAREHOUSE.

is most desirable in that it shows that the intensive system of farming is coming into greater use. In this way the yield per acre is being increased and the agricultural lands of the State are being more thickly settled. This intensive system of farming benefits the railroads in that it brings them increased traffic in many directions.

The agriculture of the State consists in the main of cotton, cereals, sugar cane, truck farming, and fruit growing. As is generally known, cotton is the staple product, and its production has steadily increased. It is pleasing to note, however, that the farmers have learned to diversify their crops. The figures of cotton production in Mississippi follow:

	Acres.	Bales.
1880, . . .	2,106,215	963,111
1890, . . .	2,883,278	1,154,725
1900, . . .	2,897,920	1,313,798



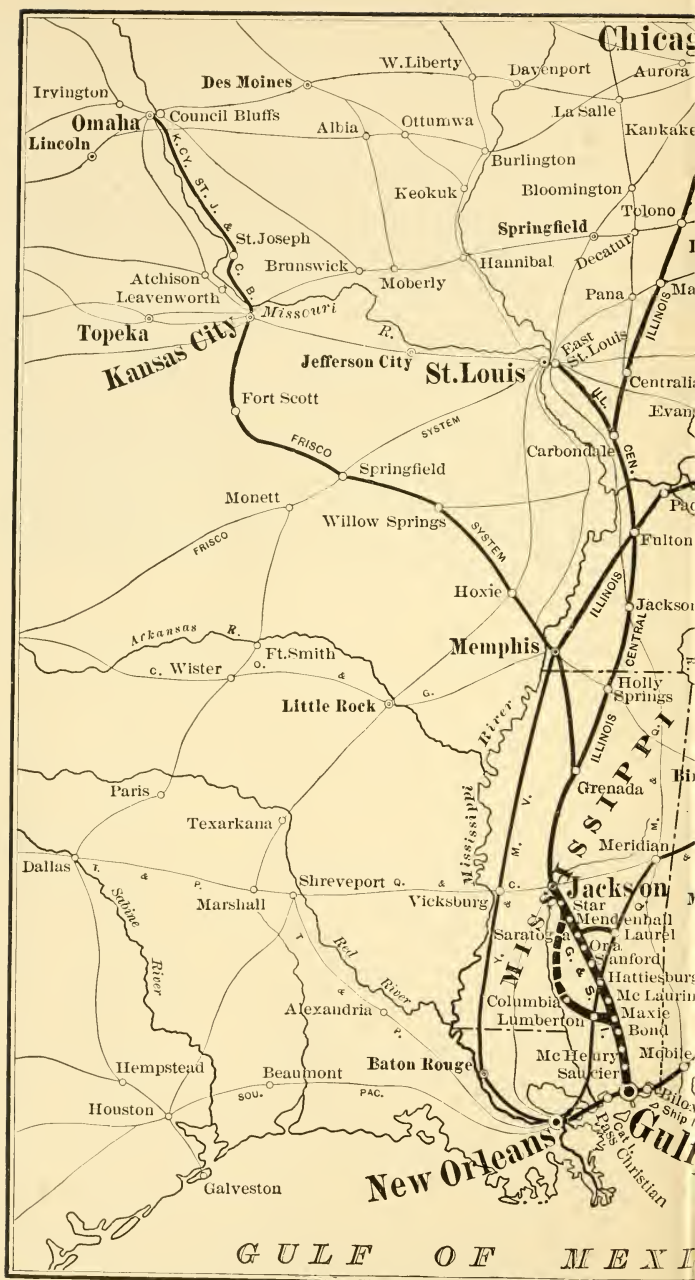
COTTON MILL AT LAUREL.

These figures show a yield of nearly half a bale of cotton to the acre, which is an excellent average, as is seen from the following table :

PRODUCTION OF COTTON BY STATES.

STATES.	Acres.	500-Pound Bales.	Bales Per Acre.
Texas,	6,960,367	2,584,810	.371
Georgia,	3,343,083	1,188,337	.355
Alabama,	3,202,135	1,093,697	.342
Mississippi,	2,897,920	1,286,680	.444
South Carolina,	2,050,179	837,378	.408
Arkansas,	1,641,855	705,928	.430
Louisiana,	1,376,254	699,521	.508
North Carolina,	1,007,020	433,014	.430
Tennessee,	623,137	235,008	.377
Counties along Gulf & Ship Island Railroad,	126,339	53,599	.424

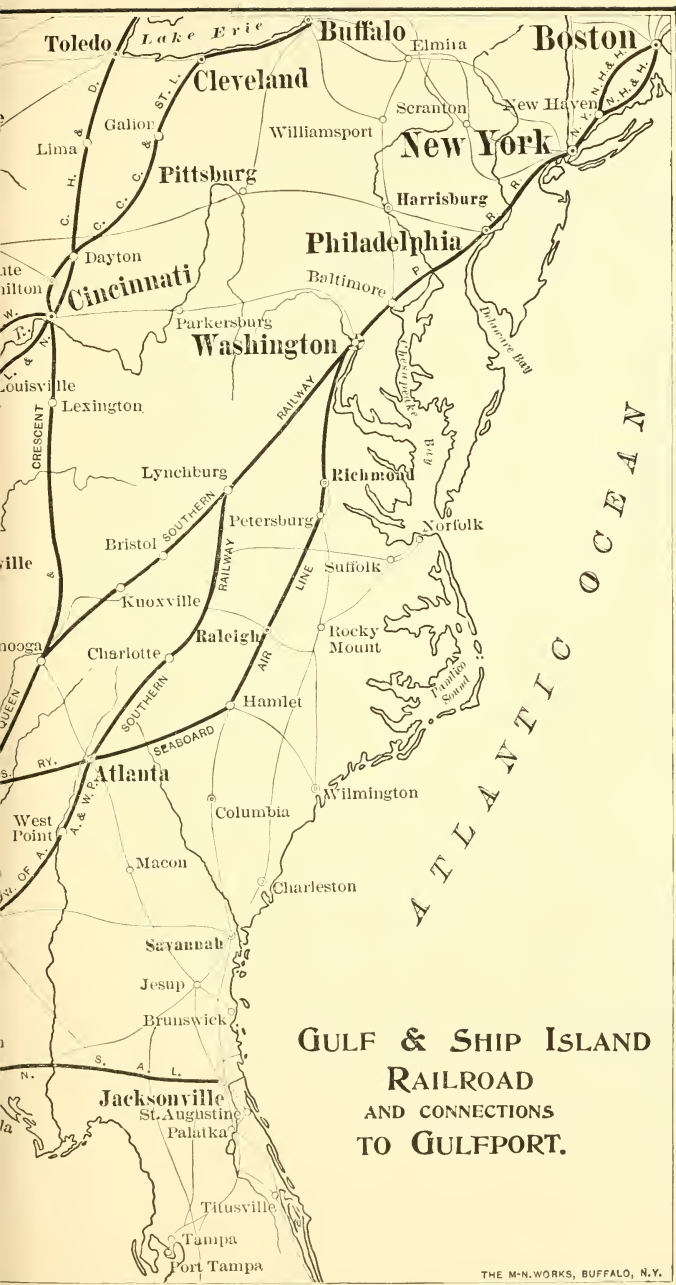
From the above it will be seen that Mississippi is surpassed in the average yield per acre by Louisiana alone, and that the yield of the counties



J. T. JONES, President.

JOSEPH A. JONES

R. MORGAN, General Superintendent.



resident. T. P. HALE, 2d Vice-President.

. BOYLSTON, General Freight and Passenger Agent.

INDUSTRIAL MISSISSIPPI

along the Gulf & Ship Island Railroad compares favorably with the average for the State. And it should be remembered that the average for Mississippi includes the product of the Yazoo delta, the most famous cotton-growing district in the world. These figures clearly refute any statement that the soil of southern Mississippi is not suitable for growing cotton. In fact, many farmers along the Gulf & Ship Island Railroad, who are employing modern methods, are producing approximately a bale of cotton to the acre. The above figures are taken from the United States Census of 1900. The acreage devoted to cotton in the counties along the Gulf & Ship Island Railroad is now considerably greater than it was at that time.

In the production of cereals, Mississippi is advancing rapidly, as is shown by the following:

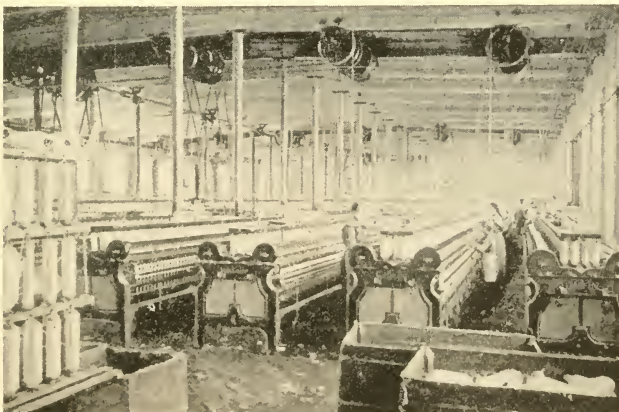
Production in Bushels.		Increase.	
1880,	23,553,441	1880-1890,	17.0%
1890,	27,543,047	1890-1900,	44.2%
1900,	39,703,872	1880-1900,	68.6%

The increase since 1900 is well illustrated by the corn crop of 1903, which alone aggregated 39,848,273 bushels, or more than the total production of all cereals in 1900. The corn crop in 1902 amounted to only 24,658,588 bushels.

The growing of sugar cane has also increased considerably since 1880. The greater part of this is used to make cane syrup, the production of

which increased from 536,625 gallons in 1880 to 1,431,219 gallons in 1900.

In truck farming and fruit growing, similar increases in acreage and production have been made, and it is in these branches of farming that Mississippi's future seems brightest. Further, it has been proved conclusively, by the State's experimental farm and by many progressive farmers, that fruits and vegetables can be grown most successfully in southern Mississippi. The farmers are at last beginning to realize that the profit from growing fruits and vegetables is considerably more than that from growing cotton. The best proof of this is the census reports, which show that between 1890 and 1900 the number of peach trees increased from 878,569 to 1,856,748, and the number of apple trees from 357,309 to 705,796. During the same period, the number of cherry trees increased almost fourfold, apricot



SPINNING ROOM OF COTTON MILL.

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FERTILIZER PLANTS AND COTTON-SEED OIL MILLS AT JACKSON AND LAUREL.

trees more than fivefold, and pear trees more than sixfold. As showing the profit to be derived from truck farming, as compared with growing other crops, the census reports give the average value per acre of all crops in Mississippi as \$14.59, while for vegetables they show it to be \$47.68. Notwithstanding the fact that these figures show vegetables to return more than three times the profit that other crops yield, the acreage of vegetables was, in 1900, but 1.7 per cent. of the acreage devoted to all crops. We expect that the State will soon show a substantial increase in the number and size of its vegetable farms.

The pine woods of the State have contributed, in a large degree, to its present prosperity, in that they have attracted a great number of successful lumbermen from the North, who have brought a large amount of capital into the country. Further, many of these men have turned their attention to interests other than lumber. Thus some have become interested in farming, while others have invested their money in manufacturing, such as cotton mills, cotton-seed oil mills, and fertilizer factories. The leading lumbermen estimate that they have sufficient timber to last them twenty-five to thirty years, and, in addition, there are hundreds of thousands of acres that are at present held by investors.

Until recently no mineral resources of value had been found in Mississippi, except various

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MACHINE SHOP AT HATTIESBURG.

clays from which excellent bricks are made. Lately, however, deposits of iron ore and kaolin have been discovered, though their value is as yet undetermined.

GULF & SHIP ISLAND RAILROAD LOCATION

The Gulf & Ship Island Railroad, owning and operating 251 miles of railroad, is situated in the heart of the pine timber belt of southern Mississippi. Its main line, 160.50 miles in length, extends from Gulfport, Mississippi, on Mississippi Sound, Gulf of Mexico, north and northwest to Jackson, the State capital. A branch diverges from the main line at Maxie, forty-four miles from Gulfport, and extends 48.75 miles to Columbia, on the Pearl River. Another branch leaves the main road at Saratoga, 111 miles from Gulfport and forty-nine miles from Jackson, and runs east 41.75 miles to Laurel. A third branch is being constructed from Mendenhall, 129 miles

from Gulfport and thirty-one miles from Jackson, to Columbia, a distance of about sixty miles. This will join with the first-named branch and will, in effect, give the Gulf & Ship Island Railroad a double track from Maxie to Mendenhall, a distance of eighty-five miles via the main line. When this branch is completed the road will have a total length of about 310 miles.

The advantages of this location are many, and of these a few will be mentioned. It is in a territory where no part of its mileage is paralleled. It runs through one of the finest bodies of long-leaf pine in the South. The soil is fertile and much of it is already in cultivation. It has numerous connections with trunk lines and has for its southern terminus one of the finest harbors on the Gulf of Mexico. These advantages will all be discussed at some length later.

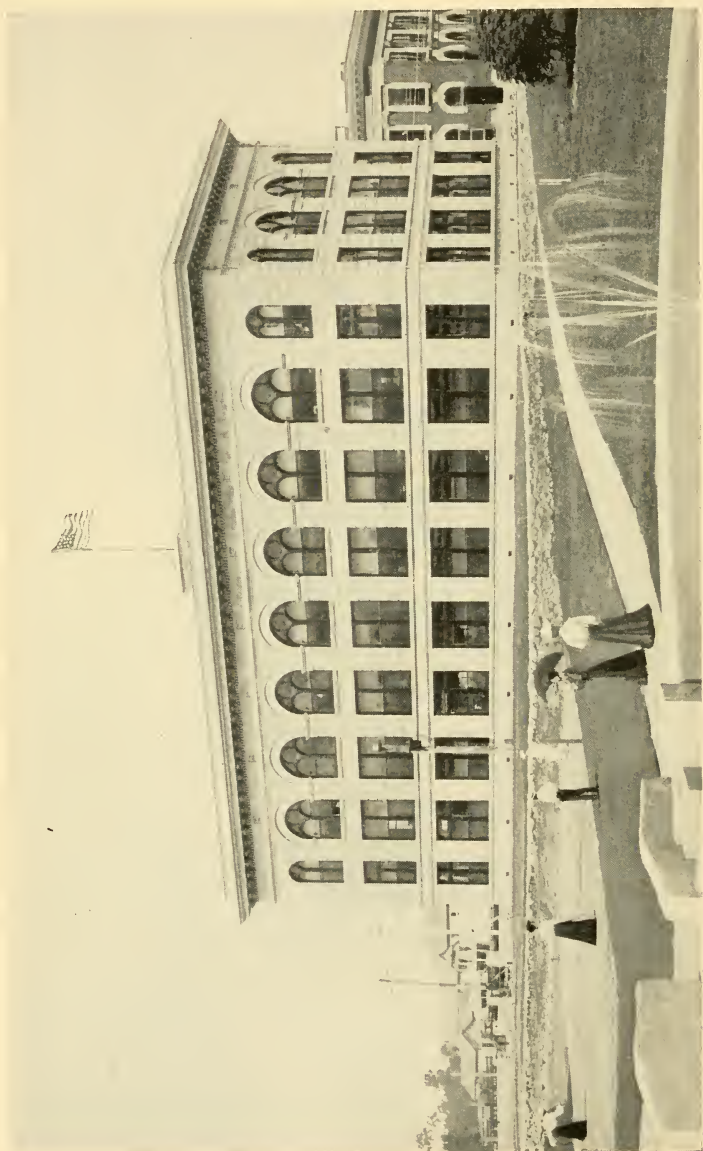
HISTORY

The company was chartered in



A GLIMPSE OF FOREST AND STREAM.

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GENERAL OFFICES OF THE GULF & SHIP ISLAND RAILROAD AT GULFPORT.

1882, with the intention of making Ship Island Harbor available for a seaport for Mississippi. For this purpose Gulfport was chosen as the southern terminus of the road, in that it was the nearest point to deep water. After varying vicissitudes, the line from Gulfport to Hattiesburg was opened for business on January 1, 1897. It was then continued through to Jackson and the first train was run through to that point on the Fourth of July, 1900. The Columbia and Laurel branches were first operated in September of the same year. The piers and channel of the company have been open for business since January, 1903.

The charter under which the company operates is a perpetual one, granted before the present State constitution was adopted. In addition to all the usual concessions to railroads and some special ones, the company has the important advantage of rights to land under water half a mile wide, extending six miles into Mississippi Sound. Since the adoption of the new constitution no charter can be obtained by a railroad in Mississippi except one revocable at the pleasure of the legislature. As that of the Gulf & Ship Island Railroad has been passed upon by the Supreme Court of the State, its permanency is assured. Recently the United States Circuit Court has decided that this charter exempts the railroad from the rulings of the Mississippi Railroad Commission. In consequence, the charter is in itself a valuable asset.

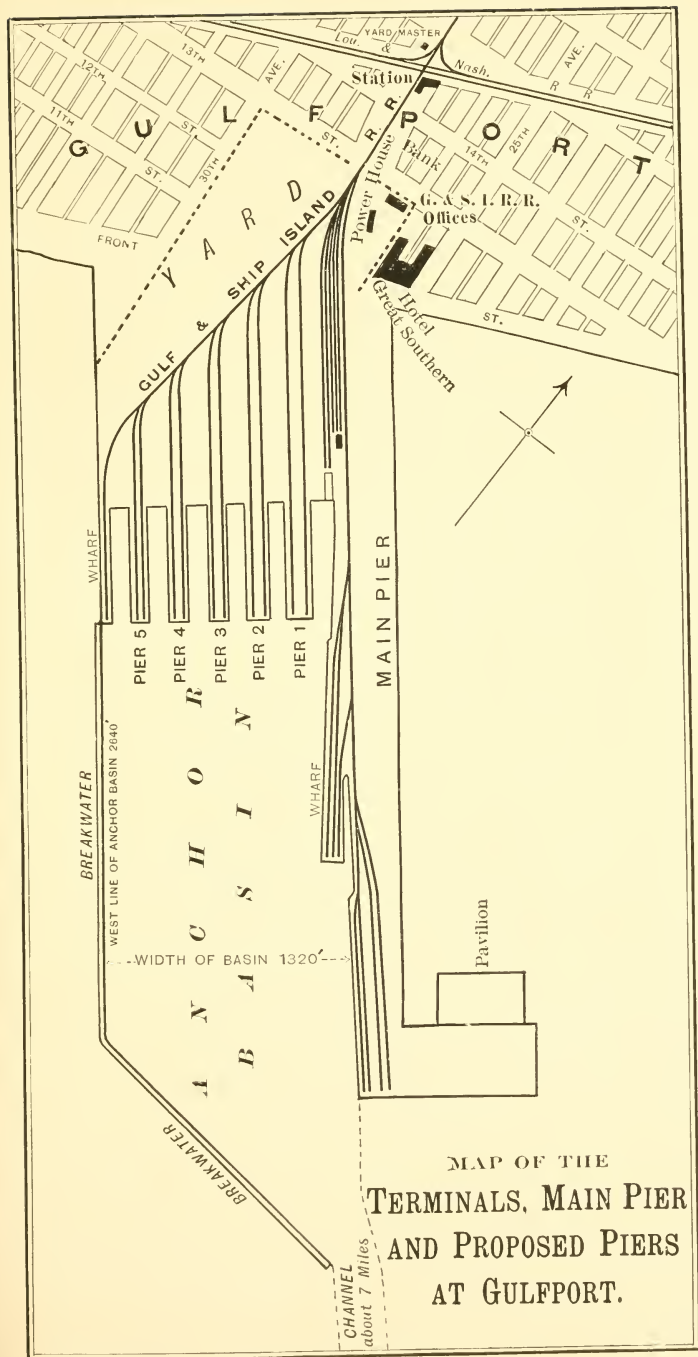
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GULF & SHIP ISLAND RAILROAD LOCOMOTIVE.

CONNECTIONS

The company has exceptional facilities for the interchange of traffic on account of its railroad connections. Gulfport, the southern terminus of the road, is situated on the main line of the Louisville & Nashville Railroad. At Hattiesburg, seventy miles north of Gulfport, the Gulf & Ship Island Railroad crosses the New Orleans & Northeastern ("Queen & Crescent Route"). The Columbia and the Laurel branches connect with the same road at Lumberton and Laurel, respectively. Other roads that enter Hattiesburg are the Mobile, Jackson & Kansas City and the Pearl & Leaf River. At Jackson, its northern terminus, the Gulf & Ship Island connects with the main line of the Illinois Central, with the Yazoo & Mississippi Valley (Illinois Central system), and with the Alabama & Vicksburg ("Queen & Crescent Route").



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The Gulf & Ship Island Railroad is most valuable to these numerous connections, in that it originates business and delivers more freight to them than it receives from them. Thus last year its total freight amounted to 1,058,033 tons, of which 962,213 tons originated on its own line and only 95,820 tons were received from other carriers. In consequence, the Gulf & Ship Island is in an independent position and, owing to the competition among its connections for the routing of its freight, it obtains maximum allowances for its proportion of through rates. For the same reason its customers obtain as low through rates from its stations as do those from similarly situated points on the trunk lines. The following statement of the carload business interchanged with its connections during the last four fiscal years shows clearly that the Gulf & Ship Island Railroad does originate business, and that it is in no way dependent on its connections.

	Cars Delivered.		Cars Received.	
	Loaded.	Empty.	Loaded.	Empty.
1900,	12,971	1,576	6,539	6,635
1901,	20,935	1,975	11,659	10,937
1902,	31,614	2,494	14,592	18,336
1903,	33,889	1,955	15,256	19,009

During the first six months of the current year the railroad handled 27,983 loaded cars, as compared with 24,173 cars in the corresponding period of last year.



FIRST STEAMERS TO ARRIVE AT GULFPORT.

PHYSICAL CHARACTERISTICS

The railroad is of standard gauge, laid with sixty-five, seventy-five, and some sixty-pound steel rails. The latter, however, are being relaid with seventy-five-pound rails. There are but few bridges and these are of steel. The road is well ballasted throughout, being surfaced with a cement gravel which sheds water perfectly. The road is fortunate in having immense pits of this gravel right on its line. The cuts and the embankments are of the standard width. The station buildings, machine shops, water tanks, coal chutes, and telegraph lines are sufficient and are properly maintained. All this is according to the reports of competent engineers. The company owns the necessary right of way, has commodious terminals

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GULFPORT HARBOR FROM THE PIER.

INDUSTRIAL MISSISSIPPI



STEAMERS LOADING LUMBER AT GULFPORT.

at Gulfport and yard room at Hattiesburg, and is accorded the use of a convenient part of the Illinois Central yard for terminals at Jackson. With its six new engines and 500 new freight cars, the road now has thirty-one locomotives, twenty passenger cars, 825 freight cars, and thirty-one road-service cars. This equipment is in excellent condition and is sufficient for the present requirements of the road and for those of the immediate future. The marine department of the railroad is also fully equipped.



COALING SLIP — MAIN PIER AT GULFPORT.



GULFPORT HARBOR F

GULFPORT HARBOR AND TERMINALS

In addition to its excellent facilities for the control of traffic to and from the interior, the Gulf & Ship Island Railroad Company has a still further outlet for its traffic on the Gulf of Mexico, for, with the coöperation of the United States Government, it is completing at Gulfport a deep-water harbor. The advantages of this harbor over others on the Gulf coast are many, and it is not unreasonable to expect that, before many years, Gulfport will become one of the leading Southern ports. The growth of this harbor will naturally bring to the railroad much through business (both import and export) which it could not otherwise obtain.

Twelve miles south of Gulfport lies the well-known Ship Island, which is one of a chain of islands separating Mississippi Sound from the Gulf of Mexico. Under the lee of this island, within the Sound, is Ship Island Harbor. The value of this anchorage was recognized at the



THE COURT HOUSE.

earliest settlement of the country in 1699 by d'Iberville, and again by General Pakenham, leader of the British army in 1814-15, and by Admiral Farragut of the Union Navy in 1862. Both of these officers anchored their fleets in Ship Island Harbor, preparatory to besieging New Orleans. Furthermore, ships have come to this harbor for many years to obtain cargoes, which have had to be lightered out from the mainland.

In order to overcome this disadvantage and the expense of loading ships at anchor at a distance off shore, the Gulf & Ship Island Railroad Company, under contract with the United States Government, has dredged a channel extending from Gulfport to deep water, a distance of about seven miles. This channel is 310 feet wide and twenty-four to twenty-five feet deep. An anchorage basin, the depth of the channel and one-quarter by one-half mile in area, is in course of construction adjoining the piers and docks that are being built at Gulfport. The main pier, which is now completed, is within thirty feet of being one mile in length. In addition to this, five

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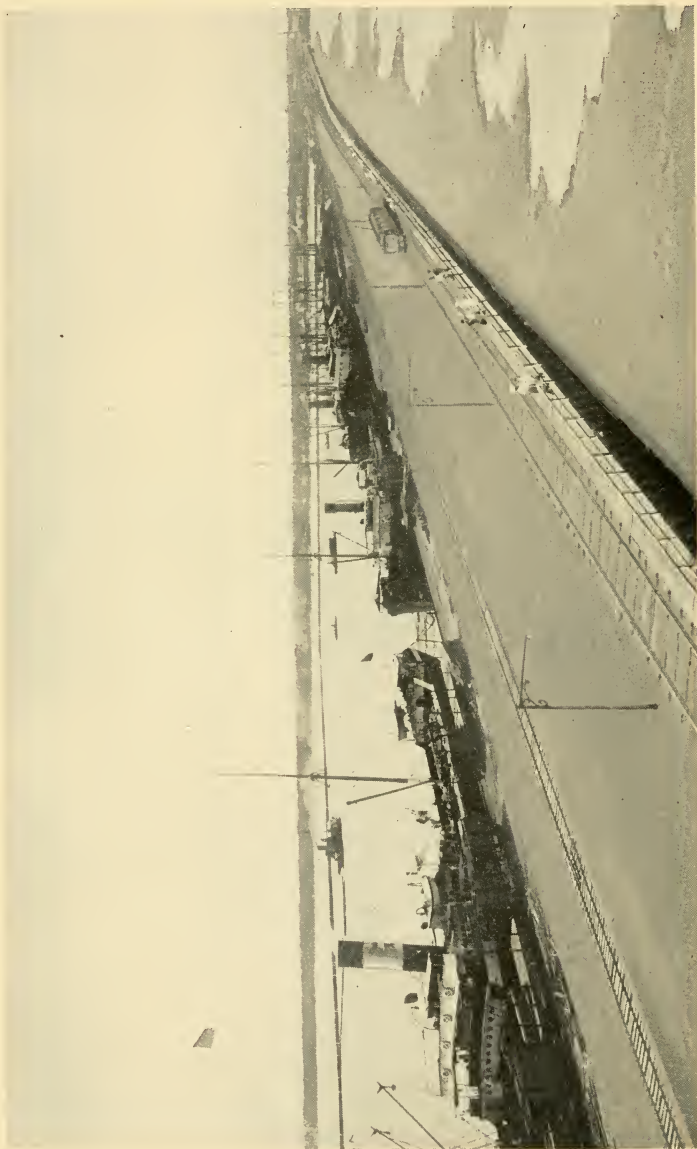


other piers are to be built, each 700 feet long. All the important features of wharves at other ports will be embodied in their construction. The combined length of wharfage at the port will be over 10,000 feet. In addition, the anchorage basin is surrounded by a revetment which can readily be converted into a wharf when desired. This would add 2,640 feet more to the wharfage of the port. The main pier is now in regular and constant use for the delivery of freight to both foreign and coastwise shipping. At the end of December, 1903, no less than twenty-seven vessels were taking on cargo at this pier at the same time.

The channel, which runs in an absolutely straight line from the piers to Ship Island Harbor, has a bottom such that it can be dredged to any desired depth. As the sides are of clay and are dredged at an angle, and as the channel is not affected by cross currents or streams of any kind, there is no tendency for it to fill in. The tide is small and its direction is practically the same as that of the channel. In consequence, the channel has remained absolutely permanent and has confirmed the opinion of the engineers who investigated it prior to its being dredged. The United States Government engineers, and other experts who have examined it, commend the work. They report that its maintenance should be materially less than a channel affected by a river, as is the case at most ports. The United States Congress has already made an annual appropriation for its maintenance.

The most complete test that the harbor has had to date was in August, 1901, when the Gulf coast experienced one of the worst storms in its history. The pier, though incomplete, withstood the full force of the waves without damage, and the boats that were in its lee (the anchorage basin at that time was not surrounded by a breakwater as at present) rode out the gale with perfect safety. Everywhere else along the coast enormous damage was done to shipping. Further, the channel, though it was very incomplete and had perpendicular sides at the time, withstood the test excep-

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MAIN PIER AT GULFPORT — LOOKING LANDWARD.



GULFPORT YACHT CLUB.

tionally well and proved its permanency to the engineers in charge. In fact, the only tendency that has been noticed is for the small tide to "scour" the channel and so increase its depth, as it has done with the channel which the Government dredged some years ago at the entrance to Ship Island Harbor.

COMPARISON WITH OTHER GULF PORTS

As it may be asked how this port can compete successfully with such cities as New Orleans, Mobile, and Pensacola, a few of its advantages will be noted here. First, it has as safe a harbor (Ship Island Harbor) and anchorage basin as can be found anywhere on the Gulf coast. This has been recognized so often that it is unnecessary to speak further about it.

Second, the piers at Gulfport can be reached more quickly from the open Gulf, and consequently from foreign ports, than those of any of the above-mentioned cities. Owing to its short, straight channel and to its being but twelve miles from the open sea, vessels can come up to the piers at Gulfport within an hour, whereas it takes considerably longer to enter any of the other harbors. Thus, sailing ships can save from one to two days by going to Gulfport rather than to Mobile or New Orleans, and steamers can save from six to twelve hours.

Third, its channel is surpassed by none. It is true that at present it is not as deep as that of New Orleans, but it can be easily dredged to any depth that the commerce of the port requires. Even now, however, it is a foot deeper than that of Mobile, as the channel there has but twenty-three feet of water over the bar. The strong points of the channel to Gulfport are its permanence and ease of navigation. To the first of these we have already called attention, while the second is due to the fact that the channel is absolutely straight, is very wide (310 feet), and is but seven miles long.

Finally, Gulfport is situated quite as well as, if not better than, are Mobile and New Orleans for reaching northern and western markets. Thus, Gulfport is twenty-three miles nearer Jackson, Mississippi (the junction of the Illinois Central and the Gulf & Ship Island railroads),

than is New Orleans and so enjoys the advantage of that distance for all places north of that point. On account of the many track connections of the Gulf & Ship Island Railroad, the facilities for shipment from Gulfport to all points in the interior are excellent.

Thus we see that Gulfport occupies a strong strategic position in the commerce of the Gulf and that her future is as bright as, if not brighter than, that of any of her rivals. It is not too much to say that the possibilities of this young city (it had but 100 people when the Gulf & Ship Island Railroad first entered it) and, consequently, of the Gulf & Ship Island Railroad, are almost unlimited. As showing the need of such a port, it should be noted that her wharves had hardly been open for business two months before twelve vessels were there at the same time; in fact, there were more vessels than the wharves could at that time conveniently accommodate. These vessels represented all nations and were loading cargoes



AT THE HEAD OF THE GULFPORT PIER.

INDUSTRIAL MISSISSIPPI

for all parts of the world, some for Europe, others for South Africa, and still others for the West Indies. It is now not uncommon for twenty-five or more vessels to be loading at the same time at Gulfport.

In addition to the advantages mentioned above, Gulfport, in common with all the South, should enjoy a remarkable prosperity when once the Panama Canal is open. Factories will then move to the South in larger numbers than ever before, in order that they may be nearer the South American and Oriental markets. But, even at present, the business of the Southern ports is growing enormously, as the following tables, compiled from Government reports, show:

EXPORTS OF LEADING GULF PORTS.

Year Ending June 30.	1895.	1900.	1902.
New Orleans, .	\$68,413,362	\$115,858,764	\$134,486,863
Galveston, . .	41,886,651	85,657,524	96,722,066
Mobile, . . .	5,173,303	13,206,334	12,503,558
Pensacola, . .	3,042,113	14,413,522	14,466,928
Pearl River (Ship Island Har- bor), . . .	966,411	1,687,863	2,155,013

IMPORTS.

Year Ending June 30.	1895.	1900.	1902.
New Orleans, .	\$13,861,507	\$17,490,811	\$23,763,480
Mobile, . . .	1,009,281	2,883,934	3,714,371

The growth of the Southern ports as compared with their Northern rivals was especially noticeable in the fiscal year just ended. During the year ended June 30, 1903, there was a decrease

in the exports of breadstuffs of \$6,866,223 for all ports, exclusive of New Orleans and Galveston, whereas the increases at those ports were as follows:

New Orleans,	\$7,122,256
Galveston,	7,764,594
Total,	\$14,886,850

Thus these two Southern ports alone made up much more than the combined loss of all other ports. New York followed these two cities with a gain of \$3,107,959. Among the cities which lost some of their export trade in breadstuffs were Boston with a loss of \$4,299,654 and

Newport News with \$3,694,024.

When we compare the export lumber business of Gulfport with Pensacola and Mobile, we find the advantage of the former over the latter similar to that of Southern ports in general over those in the North. Thus, from November 1, 1902, to May 1,



SOUTHERN PINES.

INDUSTRIAL MISSISSIPPI

1903, the lumber exports from Gulfport were 13,686,000 feet as compared with practically nothing the previous year. This remarkable trade developed notwithstanding the fact that the exports of lumber decreased from 83,791,293 feet to 69,278,016 feet during the same period at Pensacola, and from 53,543,117 feet to 51,782,007 feet at Mobile. At Pascagoula, another important lumber port, the exports decreased from 56,505,107 feet to 37,978,499 feet. The trade at Gulfport was practically done in three months, as the piers were not fully opened for business till after the first of the year. The continuous growth of Gulfport is shown by the following figures: During the fiscal year ended June 30, 1902, there was exported 13,-044,237 feet of lumber; during the year ended June 30, 1903, 47,232,765 feet; and during the first six months of the current year, 66,129,657



PINE TREES BOXED FOR TURPENTINING.



A TURPENTINE STILL.

feet. In the calendar year 1903, 105,849,222 feet of lumber was exported. An illustration of the importance of this port is the fact that the tonnage at its wharves has already at times exceeded that at the docks at Mobile.

INDUSTRIES ALONG THE GULF & SHIP ISLAND RAILROAD

LUMBERING

The South to-day is preëminently the lumbering district east of the Rocky Mountains, and that part traversed by the Gulf & Ship Island Railroad is right in the heart of the so-called "Longleaf Pine Belt." Three or four years ago the timber in this belt was practically untouched, but since that time the attention of lumbermen throughout the country has been attracted to it. Prior to the opening of the Gulf & Ship Island Railroad, lumbering on a large scale throughout its territory was practically impossible, but since then

INDUSTRIAL MISSISSIPPI

rapid progress has been made, and now the combined capacity of the sawmills along the road (there are one hundred of them) is upwards of 1,000,000,000 feet per annum. There is also a large production of turpentine and rosin.

It is well known to lumbermen and others familiar with the timber resources of the United States that the white pine of the Northwest is being rapidly exhausted, that the spruce of Maine and other sections of the country is largely manufactured into pulp and paper, and that the hemlock of Pennsylvania will be exhausted in from twelve to fifteen years. Consequently, the lumber required east of the Rocky Mountains must be sought in other sections of the country. The largest undeveloped or partially developed timberlands from which lumber can be had without too great expense for freight rates are in the South. The best lumber that is obtained there is the longleaf yellow pine. This pine is nearly all in a belt which extends from the Gulf of Mexico about 150 miles north and from the eastern boundary of Georgia to the eastern part of Texas. The trees in this district are fairly close together and generally grow absolutely straight. There is practically no underbrush and, in consequence, the South is comparatively free from forest fires. Furthermore, when these do occur they are not very serious. The ground between the trees is often a good pasturage, not being covered with pine needles as in the Maine

woods. In Mississippi, Louisiana, and eastern Texas there are still large bodies of virgin forest, though lumbering operations on a large scale have recently been undertaken in these States by lumbermen from the North and Northwest. As illustrative of this entrance of Northerners a few of the lumber companies along the line of the Gulf & Ship Island Railroad may be mentioned, viz: the Newman Lumber Company at Hattiesburg; the Finkbine Lumber Company at Wiggins; Eastman, Gardiner & Company at Laurel; the Easterling Lumber Company at Ora and Mish; and the Chicago Lumber Company at McHenry. The controlling interests of the Newman Lumber Company are from the East (New York and Pennsylvania) and those of the other companies from the central West (Iowa, Wisconsin, and



TURPENTINE AND ROSIN AWAITING SHIPMENT.

INDUSTRIAL MISSISSIPPI



LOADING LOGS ON LUMBERING SPUR.

Michigan). Of course, there are a number of small companies, but the tendency to-day in lumbering, as in other lines of business, is towards concentration. This is for the best interests of the business, in that the larger companies are all aiming to have their supply of timber last twenty-five or thirty years at the least. Furthermore, many of them are adding to their holdings of timber lands and are thus increasing the length of time that their timber will last.

As illustrating the strong position that Southern yellow pine holds in the Northern market, it may be noted that one of the large grain elevators at Duluth, Minnesota, the center of a once heavily-timbered region, is built of pine from Louisiana and Mississippi, notwithstanding the fact that the lumber had to be transported more than 1,200 miles. Again, in Chicago some of the largest



OXEN DRAWING LOGS TO SAWMILL.

warehouses have been constructed of Southern pine.

The entrance of successful lumbermen into this district has been the cause of its rapid development. At the start they invested large amounts of capital and they are now paying out weekly large sums of money as wages. Practically, all of this money is brought into the district from other States or from abroad, as comparatively little of the lumber is sold at home. Furthermore, the lumbermen who have gone there are generally a progressive and successful set of men and are ready to take advantage of opportunities other than those offered by lumbering. Thus, some are turning their attention to farming, as is the Finkbine Lumber Company at Wiggins, and others are investing in manufacturing, as are Eastman, Gardiner & Company at Laurel. Members

INDUSTRIAL MISSISSIPPI

of the latter firm are interested in a cotton mill, a cotton-seed oil mill and fertilizer factory, and several smaller industries.

To those who are not acquainted with lumbering along modern lines, a visit to one of the large plants in the South would certainly prove most interesting and surprising. Operations are conducted on a scale equal in some respects to



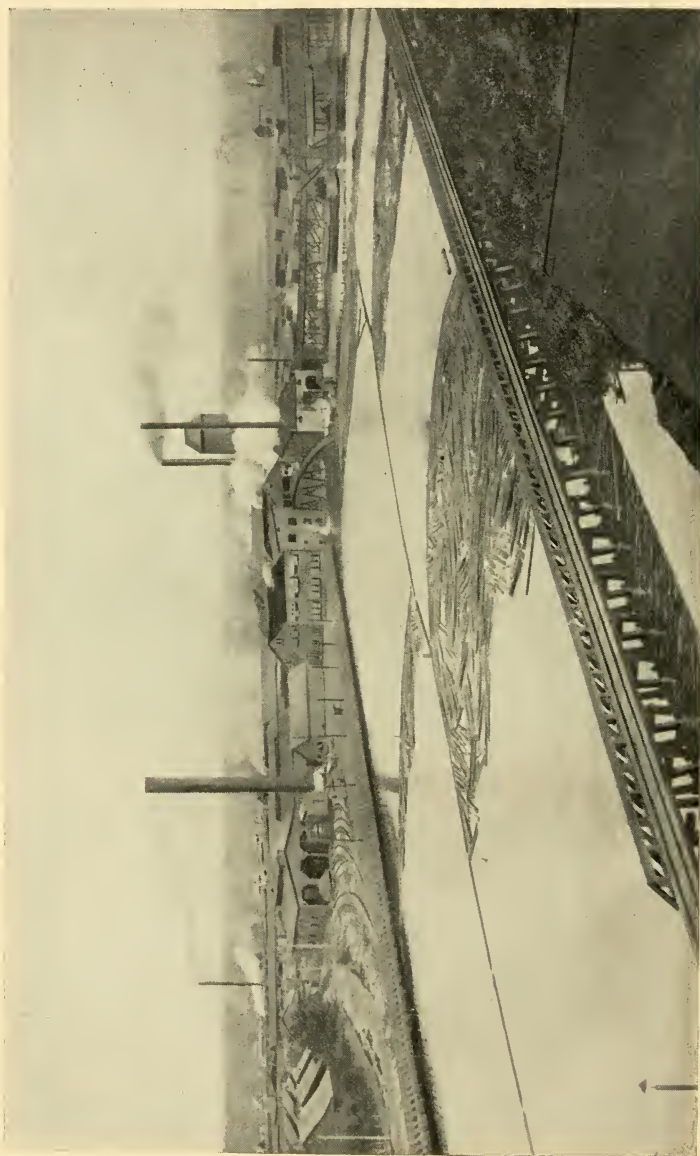
A BIG LOAD OF LOGS.

that of our large iron and steel companies. In describing these operations we will follow the wood from the time it is cut at the logging camp to its final shipment to market. The word "camp" conveys, in some respects, a wrong impression, for the so-called "logging camp" is practically a small-sized town. It consists of a number of portable houses and boarding cars which remain in the same place for about five or six months. A great many of the men are

married and have families who always go with the camp. There are the necessary stores, a doctor, and even a school for the children. Further, religious services are held every Sunday. The men go out to work in the morning and return in the evening, as laborers would in a city. A common method of logging is to follow along a railroad, if there is one, or to construct a main line, if there is not, and then run spurs out from it into the woods wherever desired. The axemen then work out in both directions from this track and, consequently, there is comparatively little hauling to be done by oxen. When the trees are sawed and felled, they are brought to the spur and loaded by machine on flat cars. In the larger camps "skidding" machines are used, which save all hauling by oxen. These machines pull in by a steel cable trees that are felled within a half mile of the spur and load them on the cars.

The logs are then taken via the spur and main line to the sawmill and rolled from the flat cars into a pond. From there they are run up an incline by a chain conveyor and taken to the "steam nigger." This machine places them in position on a carriage, which travels by a circular or band saw. This latter trims the log and saws it up into planks or simply trims it and then sends it over to the gang-saw to be cut up with three or more others into planks of the desired width and thickness. It next passes to saws which

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LUMBER MILL AT LAUREL.



LUMBER MILL AT WIGGINS.

cut it to width and to length. From here a conveyor carries it slowly along a table where it is sorted according to length and quality. The wood is then stacked by machine on trucks and run into kilns to be dried. From the kilns it goes to the planers to be finished if it is to be shipped, or if not, to the sheds where it is stored according to size and quality.

The waste from a sawmill is considerable, though in certain towns a number of factories of various kinds use the shavings as fuel. Thus, at Laurel, the cotton mill, the cotton-seed oil mill and fertilizer factory, the ice plant, and other factories obtain their power from this fuel. The larger slabs pass through a "hogging" machine in which they are ground up. They are then of such a size that they can be blown through a pipe and automatically charged into a furnace. Some of the slabs are now used for making shingles and laths, but many are burned. The present waste is considerable,

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and it appears that in the near future a large saving should be effected.

The production of turpentine and rosin is another of the leading industries along the line of the Gulf & Ship Island Railroad. The pine trees are tapped or freshly boxed (as shown in the accompanying illustration) about once a week and the sap is gathered from its box once a month. The sap is then distilled and turpentine and its by-product, rosin, are made. This process is carried on for eight months of each year for three to five years, when the trees are cut down and go to the sawmill.

AGRICULTURE

Great progress has recently been made in agriculture along the line of the Gulf & Ship Island Railroad. This progress has been especially noticeable in cotton growing, but the railroad



COTTON PICKING.



TRUCK FARMING — CABBAGES.

appreciates the importance of encouraging diversified farming and through its industrial and immigration department is doing much in this direction. To show the farmers just what can be done, it is placing under cultivation this season 360 acres of land within five miles of Gulfport. Here cotton, corn, and more particularly fruits and vegetables will be grown. The production of cotton must in the very nature of things ever remain one of the leading industries of Mississippi, but at the same time crops may be diversified without materially affecting the yield of this great product.

The soil of southern Mississippi is especially adapted to cotton growing. This is shown by the yield per acre of the counties tributary to the Gulf & Ship Island Railroad. Their average (.424 bales per acre) is but little less than that

for the whole State (.444 bales per acre) and the latter is second only to Louisiana in its yield per acre. Another good proof of the fertility of the soil is the return that individual farmers obtain. Consequently, the following examples are of interest: At Wiggins, on the Gulf & Ship Island Railroad, Mr. Barber obtained last year twenty-seven bales of cotton from twenty-eight acres; at Lumberton, Mr. D. C. Camp gathered eleven bales, averaging 522 pounds to the bale, from fourteen acres; and at the State experimental farm, at McNiel, a yield of a bale to the acre was obtained.

The growth of cotton has been stimulated in recent years by the increasing demand for the small cotton seed. A few years ago this seed was practically worthless, while to-day its value is about \$30 a ton. As there are generally about two pounds of seed to every pound of cotton, or about half a ton to the bale, the return from the seed is about \$15 per bale of cotton produced. Consequently, the value of the crop has been materially increased. The oil is the most important of the products, the amount obtained from a ton of seed being worth about \$20. The meal or cake returns about \$8 and the hulls \$2.

Furthermore, the seed is becoming more valuable each year on account of its constantly-increasing uses. As a result, the number of cotton-seed oil mills is growing at a rapid rate, no less than 120 having been started in the South last year. There are now over 200 of these mills

in the cotton belt. In modern factories nothing of the seed is lost in the manufacture. From it is produced the most valuable stock for soap, butter, lard, salad, canning, miners' and other oils, fuel, fibre, paper, cattle feed, fertilizer, tiles and linters for cotton batting. First, the seed is divided into hulls, meat, linters, and waste. The hulls are then turned into fuel, fibre, paper, cattle feed, and fertilizer, and the meat into crude oil and cake or meal. The crude oil is then refined for its various uses. The linters go into cotton batting. The waste is almost infinitesimal, consisting mainly of sand.

In growing corn, excellent results have also been had, and, in consequence, its production in the State has increased from 26,148,144 bushels in 1890 to 38,789,920 bushels in 1900, or almost fifty per cent.



TRUCK FARMING — TOMATOES.

INDUSTRIAL MISSISSIPPI

Even more promising, though, than the raising of cotton and corn are fruit culture and truck farming. The adaptability of the soil for these purposes is testified to both by those in charge of the State experimental stations and by the modern farmers along the line of the Gulf & Ship Island Railroad. Both Professor Hutchinson, director of the experimental farm of the Agricultural and Mechanical College at Starkville, and Mr. E. B. Ferris, director of the State experimental farm at McNiel, say that southern Mississippi will shortly be one of the great fruit and vegetable raising sections of the country. Many farmers have already entered this branch of agriculture and others follow as fast as they see that it pays far better than does cotton growing. Thus, this year a thousand-acre farm growing principally strawberries will be started near Lyman and 200 acres of tomatoes will be grown near Collins.

It should be noted here that carrying fruit and vegetables is much more profitable for a railroad than is carrying cotton, in that the former is a higher class of freight. For a similar reason cotton pays a railroad better than does lumber.

MANUFACTURES

Manufactures throughout this district are increasing at about the same favorable rate as is agriculture. This progress is not transitory, for factories in this section enjoy many advantages.

Among these are: (a) free fuel for twenty-five years (shavings and sawdust from the sawmills); (b) proximity to raw materials (this applies to cotton mills, oil mills, compresses, fertilizer factories, wood-working plants, canning factories, brick yards, etc.); (c) low cost of land and building materials; (d) minimum insurance rates due to an unlimited supply of artesian water under a high pressure; (e) freedom from taxation till 1910, by act of Legislature of 1900; (f) plen-



DRIVE NEAR GULFPORT.

tiful, good, and cheap labor; (g) proximity to Gulfport and the resulting advantage of export trade. Furthermore, this section of the country is experiencing the same remarkable prosperity that the whole South is enjoying and will likewise share in the increased trade that will follow the opening of the Panama Canal.

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Among the factories (other than lumber) that have been started recently along the line of the Gulf & Ship Island Railroad are the following: Laurel Cotton Mill, with its 10,000 spindles and 640 looms (\$250,000 capital); Van Winkle Cotton-Seed Oil and Fertilizer Company (\$250,000 capital) at Gulfport; Laurel Oil and Fertilizer Company; two fertilizer factories at Jackson; three cotton-seed oil mills at Jackson and one each at Columbia and Hattiesburg; Lindsey Wagon Company at Laurel; Mississippi Knitting Mills at Laurel; Gulfport Packing Company; iron foundries at Gulfport, Hattiesburg, and Jackson; and many other plants, such as cotton compresses, cotton gins, roller mills, machine shops, plow factories, boiler works, sash and door factories, brick yards, ice factories, and electric light and power plants.



HARRISON COUNTY COURT HOUSE, GULFPORT.

TOWNS ON THE GULF & SHIP
ISLAND RAILROAD

HAVING seen the strong foundation on which the growing towns of southern Mississippi are being built, we will now consider briefly some of the towns along the Gulf & Ship Island Railroad, as these give us a good idea of the prosperity of this part of our country. As we can only consider a few of these, it should be noted that the other towns are also growing rapidly. As proof of this we need only mention the towns of Mendenhall, Mount Olive, Collins, Seminary, Wiggins, and McHenry. From nothing at all or from villages having only about twenty-five people when the Gulf & Ship Island Railroad entered them, these towns have grown till to-day they have from 500 to 2,500 people. Furthermore, they are now growing more rapidly than ever before. For brief description we have chosen the towns of Gulfport, Hattiesburg, and Jackson on the main line and Laurel and Columbia on the branches.

GULFPORT

Though scarcely five years old, Gulfport is to-day a town of prominence in the South. The people of Mississippi in general are very confident of its future and predict that before many years it will be the first city of the State. This

INDUSTRIAL MISSISSIPPI

confidence of the natives is shared also by those who have studied its advantages and noted its growth. From a population of 1,060 in 1900, the town has grown steadily till to-day it has a population of about 5,000. The town is being built substantially, the majority of business buildings being of brick. In the past year a great many brick buildings have been erected, as well as cottages for residences. The keynote of its success is the fact that it has one of the best harbors on the Gulf of Mexico. This fact is attracting to Gulfport many business men who realize the many advantages that it offers.

As the terminals have already been described, we will not discuss them further, but will consider, briefly, some of the other features of Gulfport. Probably the most striking of these to the visitor is the new hotel "Great Southern." This hotel, with its 250 rooms, is intended as a winter resort for Northerners and as a summer resort for the people of the South, especially those of New



GREAT SOUTHERN HOTEL AND ITS NEIGHBORS.

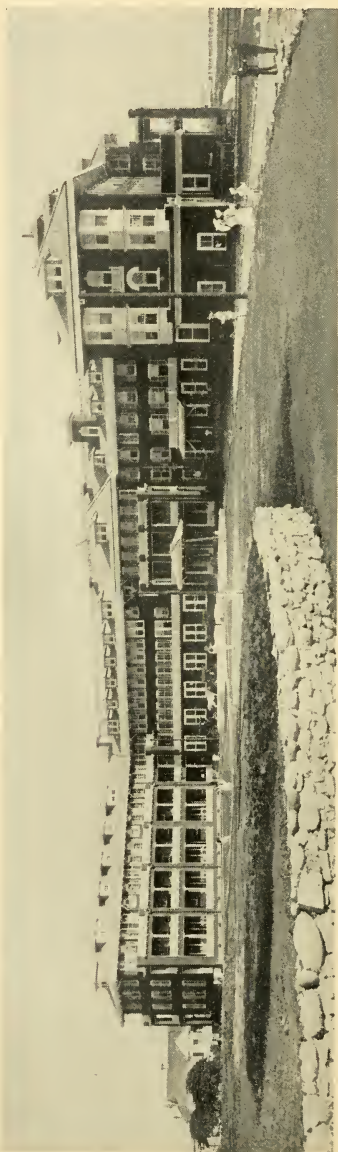
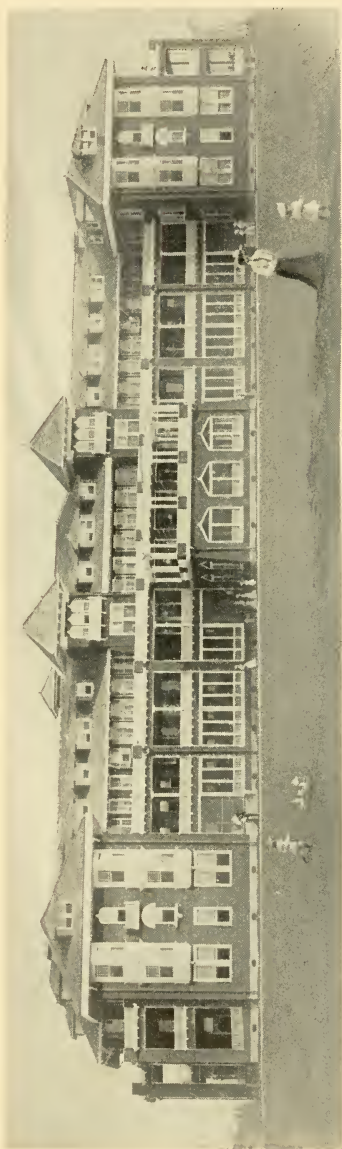
Orleans. It is situated directly on the shore and is undoubtedly the finest resort hotel between Tampa and New Orleans. Other prominent buildings of Gulfport are the County Court House and those of the First National Bank and of the Gulf & Ship Island Railroad. The latter is used for the offices of the company. It may be noted here that the First National Bank of Gulfport is now the largest bank in the State of Mississippi, having a capital of \$250,000.

The most important manufacturing plants of Gulfport are the new oil and fertilizer factory, in course of construction by the E. Van Winkle Gin and Machine Works of Atlanta, Georgia; the Gulfport Packing Company, and the shops of the Gulf & Ship Island Railroad. There are also numerous smaller concerns.

HATTIESBURG

Hattiesburg, seventy miles from Gulfport, is to-day one of the most thriving and prosperous towns in Mississippi. In 1900, it had but 4,175 people, while to-day it has about 7,000. It is especially well situated as far as railroads are concerned, for no less than four roads enter it, two being through routes (the Gulf & Ship Island and the New Orleans & Northeastern railroads), and two using it as a terminus (the Mobile, Jackson & Kansas City and the Pearl & Leaf River railroads). Of these, the Gulf & Ship Island has undoubtedly contributed most to its growth, for it

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GREAT SOUTHERN HOTEL AT GULFPORT.

brings Hattiesburg twenty miles nearer the Gulf than does any other road, and also brings it into closer communication with the North and West.

Its industries have grown very rapidly and its permanency is unquestioned. The fact that it is at the junction of four railroads is alone proof of this. But it should be noted that, in addition to its four sawmills and four planing mills, it has a cotton-oil mill, a compress, a foundry, two machine shops, a boiler works, a naval stores factory, three brick yards, a door, sash, and blind factory, railroad shops, an ice plant, and an electric light and power plant. Its banking facilities are good, there being three banks with combined assets of \$1,500,000. Further, Hattiesburg is the center of a large farming district and is becoming an important cotton market.



POWER HOUSE, LAUNDRY, AND ICE PLANT.

INDUSTRIAL MISSISSIPPI



GULFPORT — MODERN STORES.

JACKSON

Jackson, the capital of the State, is another of the towns in Mississippi that is growing very rapidly. It has to-day from 12,000 to 15,000 people, whereas, in 1900, it had but 7,816. In addition to the State Capitol, recently completed at a cost of \$1,000,000, it has the various State charitable institutions, all of which have beautiful buildings.

In manufactures, Jackson has plants similar to those at Hattiesburg and Gulfport. Among them are three cotton-seed oil mills, two fertilizer factories, two sash, door, and blind factories, two foundries, three brick yards, a compress, and a plow factory.

Jackson, like Hattiesburg, is a great railroad center, lines branching out in no less than seven directions. The roads which enter the city are the Gulf & Ship Island, the Illinois Central, the Yazoo & Mississippi Valley (Illinois Central

system), and the Alabama and Vicksburg ("Queen & Crescent Route").

COLUMBIA

Columbia is not a new town by any means. It was the capital of the State as far back as 1821. It is said to be the oldest municipal organization in Mississippi, records on file dating back to 1812. It has never been a large town, and had but 507 people in 1900. Since the opening of the Gulf & Ship Island Railroad, however, it has progressed similarly to the other towns we have mentioned. Its population to-day is about 2,000.

Columbia is practically an agricultural town, being situated in the center of a good farming country on the Pearl River. Serving a considerable district, it does a much larger business than its size would indicate. Its chief industry is a large cotton-seed oil mill. Its lumber interests are small.



GULFPORT — BANK BUILDING.

INDUSTRIAL MISSISSIPPI



GULFPORT — RESIDENCE.

LAUREL

About ten years ago Laurel was a village of about 100 people, while to-day it has a population of from 6,000 to 7,000 people. This town owes



GULFPORT — RESIDENCE.

its beginning to the sawmills of Eastman, Gardiner & Company and of the Kingston Lumber Company, but it has now outgrown its "sawmill age" and is to-day an illustration of the development of southern Mississippi. These sawmills, however, are still operating at their full capacity and have timber sufficient to last them at least twenty-five years. It is interesting to note that the first-mentioned firm recently decided to sell their "cut over" lands for farming purposes, and that they have already disposed of a large acreage at higher prices than they paid for the land with the timber on it.

Though of such recent growth, Laurel already has the following important industries in addition to its sawmills: Laurel Cotton Mill, having 10,000 spindles and 640 looms, and employing 400 hands—capital, \$250,000; Laurel Oil and Ferti-



GULFPORT — RESIDENCE.



HATTIESBURG — BAPTIST CHURCH.

lizer Company, using forty tons of cotton-seed daily — capital, \$50,000; Lindsey Wagon Company — capital, \$50,000; Laurel Brick and Tile Company, having a capacity of 30,000 bricks per day; and Mississippi Knitting Mills, with a capacity of 125 pairs of hose per day. It also has a large number of smaller factories, such as a machine shop, foundry, cotton compress, ice factory, and electric light and power plant. The town has two banks, one of which is the First National Bank of Laurel, with a capital of \$100,000, and the other the Laurel National Bank, with \$100,000 capital.

Thus Laurel has many industries other than her sawmills and so has developed into a permanent town. There appears to be no reason why other towns now wholly dependent on sawmills should not develop similarly. It may seem that Laurel is only a small town, but her relative importance is considerable. This is apparent when we remember that Vicksburg and Meridian, the leading cities of Mississippi, have only 15,000 or 16,000 inhabitants.

FINANCIAL POSITION

The gross earnings, operating expenses, and net earnings of the Gulf & Ship Island Railroad for the last three fiscal years were as follows:

COMPARATIVE INCOME ACCOUNT.

For the Year Ended June 30.	1903.	1902.	1901.
Miles Operated, . . .	251	251	248
Gross Earnings, . . .	\$1,705,047	\$1,374,684	\$1,030,849
Operating Expenses and Taxes,	1,079,618	940,514	795,560
Net Earnings, . . .	\$625,429	\$434,170	\$235,289
Other Income, . . .	3,719
Total Net Income, .	\$629,148	\$434,170	\$235,289
Fixed Charges, . . .	195,430	175,311	230,742
Surplus,	\$433,718	\$258,859	\$4,547

From 1901 to 1902, gross earnings increased \$343,835 (33.3 per cent.), and from 1902 to 1903, \$330,363 (24.0 per cent.). In the former period net income applicable to interest charges increased \$198,881 (84.5 per cent.), and in the latter period, \$194,978 (44.9 per cent.).

These figures indicate a substantial and sustained growth in traffic and in net income applicable to interest and dividends. The interest charge for the year just ended was equivalent to \$779 per mile of road, as against net income for the year of \$2,507 per mile, and as against average net earnings of \$1,726 per mile per annum for the three years 1901-1903. The full year's interest on the funded debt was earned in less than four months.

After payment of all fixed charges, the road earned 8.67 per cent. on its \$5,000,000 of stock. From this surplus dividends were paid at the rate of 4 per cent. per annum. The earnings for the current year continue to show important gains over past years. During the six months ended December 31, 1903, the gross earnings amounted to \$946,256, as compared with \$843,869 during the corresponding period of last year, a gain of \$102,387, or 12.1 per cent. The net income of the road has increased \$60,857, or 19.7 per cent.

A significant feature of the earnings, as given above, is the ratio of the operating expenses and taxes to the gross earnings. In 1901, this ratio was 77.18 per cent.; in 1902, 68.42 per cent., and in 1903, 63.32 per cent. Thus the Gulf & Ship Island Railroad is now operating on a basis comparable with the best of Southern roads. Notwithstanding this low operating ratio, an analysis of its expenses shows that the Gulf & Ship Island Railroad is spending more money on maintenance of way and equipment than do most Southern roads. Consequently, the physical condition of the property is being continually improved.

SOURCES OF REVENUE

Of the total earnings of the fiscal year ended June 30, 1903 (\$1,705,047), about \$1,340,000 was derived from the freight department, \$325,000 from the passenger department, and \$40,000 from



HATTIESBURG — PUBLIC SCHOOL.

miscellaneous sources. In these figures no freight on company material is included. The freight traffic movement for alternate years since 1899 is shown in the following table:

CLASSIFIED STATEMENT OF TONNAGE.

	1899.	1901.	1903.
Products of Agriculture, . . .	14,130	48,150	64,488
Products of Animals, . . .	816	1,871	4,281
Products of Mines, . . .	710	1,758	10,076
Products of Forest, . . .	234,920	365,454	851,463
Manufactures, . . .	10,674	32,973	90,187
Merchandise, . . .	6,565	10,906	27,548
Miscellaneous, . . .	1,170	8,740	9,990
	268,985	469,952	1,058,033

An important feature of the above statistics is the noteworthy growth that has occurred in the company's business other than lumber between the years 1899 and 1903. Thus the movement

INDUSTRIAL MISSISSIPPI

of manufactured products has increased over eightfold and that of agricultural products over fourfold. Lumber has also increased enormously, but every other class of freight has increased even more rapidly. Thus, from 1899 to 1903, the movement of lumber increased 262 per cent., while that of all other products increased 506 per cent.

An analysis of the gross earnings for the fiscal year ended June 30, 1902 (\$1,374,684), show that the earnings from traffic other than lumber were \$616,755. As the ratio of the operating expenses and taxes to earnings was 68.42 per cent., the resulting net earnings from traffic other than lum-



FIRST NATIONAL BANK, HATTIESBURG.

ber were \$194,771, or \$19,460 (11.1 per cent.) more than were the total fixed charges of the road (\$175,311) for the same year. The figures for the year ended June 30, 1903, made a still better showing. Of the total gross earnings (\$1,705,047) \$766,752 was from traffic other than lumber. As the ratio of operating expenses and taxes to gross earnings was 63.32 per cent. for this period, the net earnings from this traffic were \$281,245, or \$85,815 (over forty-three per cent.) more than the company's fixed charges (\$195,430). The earnings for the current year show still larger increases in the company's business other than lumber.

For the purpose of refunding the bonded indebtedness of the company as it had previously



HATTIESBURG — RESIDENCE.

INDUSTRIAL MISSISSIPPI



HATTIESBURG — RESIDENCE.

existed, and for other capital requirements, the company executed, on February 1, 1902, its first refunding and terminal mortgage to secure an authorized issue of \$5,000,000 of five per cent. fifty-year gold bonds, limited to \$20,000 per mile of completed railroad. The mortgage covers the entire property of the railroad company, including the terminal property and equipment. Of the total amount of bonds authorized, \$2,750,000 have been issued for refunding purposes, including \$16,000 reserved for the redemption of prior lien bonds not yet presented, and \$2,065,000 of bonds have been issued to pay for additions and improvements. The remainder of the authorized issue is reserved for improving the physical condition of the property and for other capital requirements as they may arise. A sinking fund



HATTIESBURG — BUSINESS BUILDING.

equivalent to one per cent. per annum of the outstanding bonds will become operative January 2, 1905. Bonds will be retired by purchase, not by drawings.

CONCLUSION

Few railroad companies enjoy as many advantages

and as bright prospects as does the Gulf & Ship Island Railroad. Among these may be mentioned its financial standing, its earning power, and its management. The financial standing of this road is one of unquestioned strength. Having no floating debt, its total authorized bond issue is \$5,000,000, which is limited to \$20,000 per mile of completed railroad. Of this amount,



HATTIESBURG — BUSINESS BUILDING.

INDUSTRIAL MISSISSIPPI

\$4,815,000 have been issued to January 1, 1904. The security of this issue is a first mortgage on the entire property of the road, which has cost in cash from fifty to sixty per cent. more than the par value of the bonds. Furthermore, this issue will also have first lien on the new branch (about sixty miles long) which is at present being constructed. On completion of this branch, the average of the total authorized amount will be about \$16,000 per mile of road. In comparison with this, it may be noted that the bonded indebtedness per mile of road of railroads in that section is as follows: Mobile & Ohio Railroad, \$27,422; Illinois Central Railroad, \$30,158; New Orleans & Northeastern Railroad, \$40,000.



HATTIESBURG WATER WORKS.



JACKSON — CENTURY OFFICE BUILDING.

When we consider the earnings of the road, we find the same excellent showing. From \$235,289 in 1901, the net income increased to \$434,170 in 1902, and to \$629,148 in 1903. Thus the road earned in the year just ended at the rate of about \$2,510 per mile, while the interest charge on the total authorized issue of \$5,000,000 is only \$996 per mile.

Further, its ability to maintain these earnings is unquestioned. While the main source of the earnings in the fiscal year 1903 was lumber, the revenue from this class of freight being fifty-five per cent. of the total earnings of the road, the net

INDUSTRIAL MISSISSIPPI

earnings from business other than lumber were over forty-five per cent. more than the total fixed charges of the road. Further, the earnings from lumber should continue at their present rate for



JACKSON — COUNTY COURT HOUSE.

twenty-five years at least, and even then they should fall off but slowly, owing to the large amounts of forest lands that are at present being held as investments. Farming is making rapid headway on the cleared timber lands, and the railroad earnings show increases every year from this source. This is proved by the rapid increase of the past two years in the acreage devoted to cotton growing, and will be shown still further this coming season in the increased acreage devoted to truck farming and fruit growing as well as to cotton growing. In addition to the rapid strides

that are being made in farming, manufacturing is also growing very fast. Thus, as has been shown above, various factories, such as cotton mills, cotton-seed oil mills, fertilizer factories, wood-working plants, and iron works are springing up throughout this district.

However, the earning power of the road is not dependent entirely on local business. In fact, a large portion of its business will undoubtedly be that brought to it by its terminals and docks at Gulfport. Owing to the many advantages of this port, a large coastwise as well as foreign trade, both import and export, should develop, and so give the railroad much through business. Especially important items in this connection should be the following exports: cotton and its products, grain, live stock, iron and its manufactures, and coal; also the following imports: tropical fruits, coffee, phosphates, etc. For all these, this port has



JACKSON — GOVERNOR'S MANSION.

special advantages. Thus, it is nearer Memphis, the greatest inland cotton market, than is any other port. It is also nearer the famous Yazoo delta cotton fields. It enjoys similar advantages for the export of grain, packing-house products, and live stock, while for the export of iron and coal it is almost as near the Birmingham district as are Mobile and Pensacola, and it has the additional advantage of having two competitive roads, the "Queen & Crescent Route" and the Gulf & Ship Island Railroad on the one hand, and the Louisville & Nashville Railroad on the other. The former route is forty miles shorter than the latter and so would probably obtain the freight. The advantages for the imports mentioned are the short time required to come from the open Gulf to the piers and the shorter distance to many Northern markets. This saving of time is especially important in the transportation of tropical

fruits, and should be instrumental in obtaining much business for Gulf-port.

Management determines largely the success or failure of modern corporations, and in this particular the Gulf & Ship



JACKSON — EPISCOPAL CHURCH.



COLUMBIA — RETAIL STORES.

Island Railroad Company is especially strong. The President of the company, Mr. J. T. Jones, is a Northern man who has been successful in all his undertakings. He is the principal owner of the property and is spending a large amount of his own money in its development. At the present time his investment is upwards of \$3,000,000. He is thoroughly interested in his work and gives all his time to it, making Gulfport his home for a great part of the year. Outside of the railroad itself, he is interested in a number of industries and is doing all he can to build up the country. The First Vice-President of the road is Mr. Joseph A. Jones, and the Second Vice-President Mr. Thomas P. Hale, formerly of the Southern Railway.

INDUSTRIAL MISSISSIPPI



COLUMBIA — BUSINESS BUILDING.

The Consulting Engineer, Mr. J. H. Thompson, was for many years Chief Engineer of the Central Railroad of New Jersey. He is a man of much experience in all branches of railroading. This experience has not been limited to the engineering department alone, for Mr. Thompson has been connected with the operating and traffic departments as well. Consequently, his services have been of great value to the Gulf & Ship Island Railroad. He has naturally brought many of his former associates with him and, in consequence, the Chief Engineer, Mr. W. W. Vail, and the majority of his assistants are men who have obtained their training with the Central Rail-

INDUSTRIAL
MISSISSIPPI



LAUREL — FIRST RESIDENCE, TEN YEARS AGO.



LAUREL — RESIDENCE OF TO-DAY.

INDUSTRIAL MISSISSIPPI



LAUREL — RESIDENCE.

road of New Jersey. Considering the importance of engineering in modern railroading, the Gulf & Ship Island Railroad is fortunate in having obtained such experienced men.

In the operating, traffic, and auditing departments this railroad is also well managed. Mr.



BANK OF LAUREL.

Richard Morgan, the General Superintendent; Mr. S. D. Boylston, the General Freight Agent; and Mr. Elisha Gee, the Auditor, are all practical railroad men who have obtained



LAUREL — CHURCH.

their experience in the South and who understand fully the needs of Southern roads and traffic. Mr. Morgan was formerly with the Illinois Central Railroad, and Mr.

Boylston and Mr. Gee were with the Seaboard Air Line. Thus the road has among its most important officers men with a wide experience in railroading. This is shown by the increased earnings that the traffic department is bringing to the road and by the reduction of the ratio of the operating expenses to the gross earnings.

In closing, reference should be made to the growing prosperity of the South to-day. For years it had lain seemingly dormant, but recently the attention of the North has been attracted to it and, in consequence, a large amount of Northern capital has been invested there. Now, with the commencement of work on the Panama Canal



LAUREL — SCHOOL

INDUSTRIAL
MISSISSIPPI



LAUREL — BUSINESS BUILDING.



LUMBERTON — FIRST NATIONAL BANK.



LUMBERTON — RESIDENCE.

the South should develop as never before. This, of course, means still greater prosperity for Southern railroads and among these the Gulf & Ship Island. The business of Southern ports should also increase enormously, and thus the Gulf & Ship Island Railroad, on account of its piers and channel at Gulfport, should be doubly benefited.



A MISSISSIPPI LIVE OAK.

GULF & SHIP ISLAND RAILROAD COMPANY

First Mortgage Refunding and Terminal five per cent. Gold Bonds.

Interest payable January and July. Due February 1, 1952.

Total authorized issue, \$5,000,000.

New York Security & Trust Company, Trustee.

The main line of the Gulf & Ship Island Railroad extends from Gulfport, Miss., northward to a junction with the Illinois Central and Queen & Crescent systems at Jackson, the State capital, a total, with branches, of 251 miles owned and operated. Gulfport, the southern terminus of the road, is situated on the Gulf of Mexico and has one of the finest harbors on the coast.

These bonds are secured on the entire property of the Railroad Company, including its equipment and its extensive system of piers and terminals at Gulfport.

A sinking fund, equivalent to one per cent. per annum on the outstanding bonds, will become operative on January 2, 1905. Bonds will be retired by purchase, not by drawings.

	Gross Earnings.	Net Income.
1901,	\$1,030,849	\$235,289
1902,	1,374,684	434,170
1903,	1,705,047	629,148

The surplus for the year just ended, after payment of all fixed charges, was equivalent to about

nine per cent. on the \$5,000,000 common stock, from which dividends at the rate of four per cent. per annum have been paid.

Coupon bonds may be registered as to principal or exchanged for fully registered certificates, which are reconvertible into coupon bonds.

Listed on the New York Stock Exchange.

FISK & ROBINSON,

Bankers and Dealers in Investment Securities.

35 Cedar Street, New York.

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